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Defense threatens to divulge U.S. secrets in trial

By LISA HOFFMAN Herald Staff Writer

The safe has been installed next to the courtroom and filled with secret documents. The CIA has examined every inch of the fourth-floor hallways. Extra U.S. marshals have been assigned.

After two years of legal wrangling and under intense security, the embezzlement trial of retired Air Force Maj. Gen. Richard B. Collins is ready to begin Monday in the federal courthouse in West Palm Beach.

Collins and his Miami lawyers have sent nervous tremors through the intelligence community by vowing to unleash an aggressive defense that includes divulging information about secret U.S. cash used to bankroll covert CIA operations in Southeast Asia and elsewhere.

Collins, 55, was once assigned to manage spy money in Europe. He is accused of diverting about \$445,000 of that money to his own Swiss bank accounts and keeping some \$19,000 in interest. He faces up to 60 years in prison and \$60,000 in fines if convicted on all six counts.

The ruddy-faced, much-decorated former fighter pilot who retired to Fort Lauderdale in December 1981 maintains he moved the money legitimately and with the approval of his superiors.

Collins is expected to argue that the money came from bank accounts used to bribe foreign government officials during the Vietnam War so they would allow American military aircraft to launch spy missions from their countries into China, North Vietnam and North Korea.

To prove that, he and his Miami attorney, Stephen Bronis, intend to reveal top-secret military intelligence operations, CIA banking procedures and government money-laundering techniques. They say they have no choice — the revelations are the basis of their defense.

Government officials have branded those intentions "graymail," a sneaky attempt to avoid prosecution by threatening to disclose national secrets.

The trial has some in the intelligence community nervous, one high-ranking Defense Department official said.

"There are some things, some possibly damaging or embarrassing, that we'd rather not have come out," said one high-ranking Defense Department official.

Collins said, however, that he has never threatened to use his knowledge of classified secrets as leverage in his defense beyond what he needs to prove his innocence.

"The only thing I ever wanted to talk about was what happened relating to the charges against me," Collins said in an interview Friday. "It's ridiculous to say I want to reveal 30 years' worth of secrets."

Once a key military aide to Alexander Haig when Haig was supreme commander of NATO forces in Europe, Collins was director of plans and policies and supervised war planning for all U.S. military services.

According to a six-count indictment returned by a federal grand jury sitting in Fort Lauderdale in January 1983, Collins went to Geneva in November 1977 and removed \$445,000 from Swiss Bank Corp. account 54-309 FA and deposited it into account 54-197 HH under his own name.

On separate occasions over the next five months, he allegedly took \$5,000, \$4,000 and \$10,000 in interest out of the second account.

Prosecutors with the U.S. Justice Department in Washington, D.C., tried for two years to convince U.S. District Court Judge James C. Paine to hold the trial in secret to avoid disclosing just such operations.

Paine ordered most of the court file sealed and held most pretrial hearings behind closed doors. But he determined that Collins was constitutionally entitled to an open trial, although some of the evidence has been summarized with Paine's approval.

The trial was originally scheduled for July 1983, but was postponed when prosecutors appealed Paine's ruling, which ultimately was upheld by the U.S. 11th Circuit Court of Appeals in Atlanta.

Since then, most everything about the case has been cloaked in secrecy. All but the most routine motions have been sealed. Even the typewriter ribbons used to prepare documents deemed classified have been confiscated by U.S. marshals and stored in a warehouse in Miami.

Last week, attorneys for the CIA and the Justice Department, using hand carts, lugged cartons of material into the courthouse. Some of the documents will be stored in a safe specially installed for the trial.